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# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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April 2, 1991

Mr. David Varga  
President  
Gypsum Resource Development, Incorporated  
P. O. Box 1140  
Huntington, Utah 84528

Dear Mr. Varga:

Re: Permitting of the White Cap #8 Mine Site, M/015/047, Emery County, Utah

I recently met with Mr. Larry Trimble, at the Division offices, where we discussed the issue brought up in my March 19, 1991 letter to Gypsum Resource Development, Inc. (GRD). This issue concerned extending the mine site beyond the 5 acre limit without first obtaining an approval for a Large Mining Operation. I believe that Mr. Trimble and I were able to resolve the situation to the satisfaction of both DOGM and GRD.

Because the additional disturbance planned for the immediate future will be exploration only, and therefore minimum impact; we have agreed to accept an Exploration Notice from GRD to cover this portion of the operation. This will, basically, split the site into two separate designations; one Small Mining Operation, and the other Exploration. Since this will allow the White Cap #8 to maintain its Small Mining Operation status, (the exploration site will also be under 5 acres), the Division will require no surety and no further approvals other than that of the exploration notice.

As your mining operation expands, you will eventually exceed the 5 acre limit. It is important to initiate permitting for this now. I explained to Mr. Trimble the time frame for approving an LMO can be lengthy, especially taking into account the time necessary for bonding.

Please understand that the above steps will not exempt you from obtaining a Plan of Operation approval from the BLM and posting a bond with them.

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Thank you for responding so promptly to our inquiry, If you have further questions, please contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "H. Shepherd", written in a cursive style.

Holland Shepherd  
Senior Reclamation Specialist

jb  
cc: James Dryden, BLM, San Rafael RA  
Larry Trimble, North American Explor., Inc.  
Wayne Hedberg, DOGM  
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